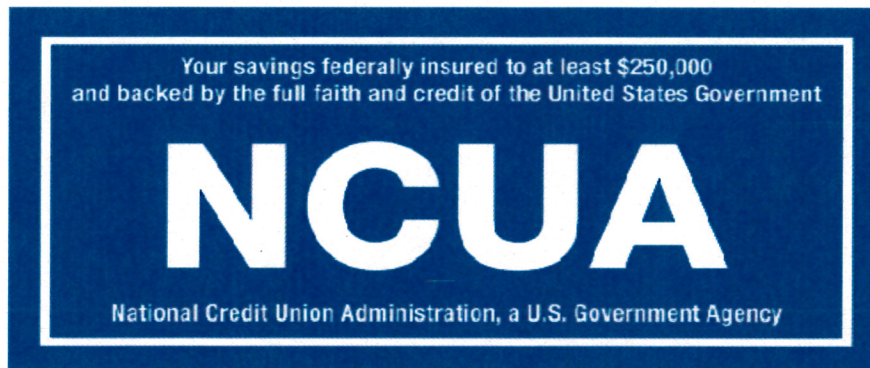


# NATIONAL CREDIT UNION SHARE INSURANCE FUND



## UNAUDITED FINANCIAL HIGHLIGHTS December 31, 2012

*Mary Ann Woodson*

MARY ANN WOODSON  
CHIEF FINANCIAL OFFICER

**NCUSIF FINANCIAL HIGHLIGHTS**  
**December 31, 2012**

**Balance Sheet:**

**Other - Insurance and Guarantee Program Liabilities (Reserves):** Reserves are \$412.5 million as of December 31, 2012; \$95.2 million is for specific natural person credit unions and \$317.3 million is for non-specific natural person credit unions.

**Statement of Net Cost:**

For December 2012, the fund had a net cost of \$28.2 million. The NCUSIF recognized gross revenues of \$19.9 million and total operating expenses of \$15.3 million. The fund recognized insurance loss expense of \$32.8 million for the month of December.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**NCUSIF UNAUDITED BALANCE SHEET**

**As of December 31, 2012**

**(Dollars in thousands)**

	<u>December 31, 2012</u>	<u>November 30, 2012</u>	<u>December 31, 2011</u>
<b>ASSETS</b>			
<b>INTRAGOVERNMENTAL</b>			
Fund Balance with Treasury	\$ 2,479	\$ 672	\$ 423
Investments, Net U.S. Treasury Securities	11,293,087	11,335,195	11,392,576
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	14,415	14,527	15,756
Accounts Receivable, Other	8	1,197	10
Accrued Interest Receivable, Investments	63,154	49,366	81,707
Total Intragovernmental Assets	<u>11,373,143</u>	<u>11,400,957</u>	<u>11,490,472</u>
<b>PUBLIC</b>			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	38	-	30
Accounts Receivable - Premium Assessments from Insured Credit Unions, Net	-	-	73
Accounts Receivable, Other	25	-	-
General Property, Plant, and Equipment, Net	-	-	18
Notes Receivable, Net	249,254	250,612	70,000
Accrued Interest Receivable	202	800	150
Other - Receivable from Asset Management Estates, Net	252,029	185,744	114,741
Total Public Assets	<u>501,548</u>	<u>437,156</u>	<u>185,012</u>
<b>TOTAL ASSETS</b>	<u>\$ 11,874,691</u>	<u>\$ 11,838,113</u>	<u>\$ 11,675,484</u>
<b>LIABILITIES</b>			
<b>INTRAGOVERNMENTAL</b>			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	\$ 690	\$ 259	\$ -
Accounts Payable - Due to the National Credit Union Administration Operating Fund	2,040	176	1,182
Other - Distribution Payable to the Temporary Corporate Credit Union Stabilization Fund	88,090	-	278,641
Total Intragovernmental Liabilities	<u>90,820</u>	<u>435</u>	<u>279,823</u>
<b>PUBLIC</b>			
Accounts Payable	87,567	171	166
Other - Insurance and Guarantee Program Liabilities (Reserves)	412,452	398,467	606,617
Total Public Liabilities	<u>500,019</u>	<u>398,638</u>	<u>606,783</u>
<b>TOTAL LIABILITIES</b>	<u>590,839</u>	<u>399,073</u>	<u>886,606</u>
<b>NET POSITION</b>			
Contributed Capital	8,315,011	8,317,778	7,805,718
Cumulative Result of Operations	2,968,841	3,121,262	2,983,160
Total Net Position	<u>11,283,852</u>	<u>11,439,040</u>	<u>10,788,878</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 11,874,691</u>	<u>\$ 11,838,113</u>	<u>\$ 11,675,484</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**NCUSIF UNAUDITED STATEMENTS OF NET COST**  
For the Periods Ending December 31, 2012  
(Dollars in thousands)

	Month Ended December 2012	Year Ended December 2012	Year Ended December 2011
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES</b>			
Employee Pay	\$ 5,608	\$ 75,176	\$ 73,272
Employee Benefits	2,671	26,178	20,996
Travel	1,654	15,446	15,313
Rent, Communications, and Utilities	363	2,847	2,780
Administrative Costs	974	7,473	8,518
Contracted Services	3,932	12,480	9,107
AMAC Expense	-	-	64
Training Expense	137	1,464	1,368
Leasing Expense	-	110	20
Other Insurance Expense	11	63	920
Total Operating Costs	<u>15,350</u>	<u>141,237</u>	<u>132,358</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>32,753</u>	<u>(77,784)</u>	<u>(532,408)</u>
Total Gross Costs	<u>48,103</u>	<u>63,453</u>	<u>(400,050)</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(22)	(290)	(344)
Interest Revenue - Other	(303)	(2,097)	(150)
Other Revenue	(2,640)	(6,381)	-
Insurance and Guarantee Premium Revenue	-	-	(543)
Total Exchange Revenue	<u>(2,965)</u>	<u>(8,768)</u>	<u>(1,037)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>45,138</u>	<u>54,685</u>	<u>(401,087)</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	<u>(16,932)</u>	<u>(206,993)</u>	<u>(226,011)</u>
Total Non-Exchange Revenues	<u>(16,932)</u>	<u>(206,993)</u>	<u>(226,011)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ 28,206</u>	<u>\$ (152,308)</u>	<u>\$ (627,098)</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**UNAUDITED STATEMENTS OF NET POSITION**

**December 31, 2012**  
**(Dollars in thousands)**

	<u>December 31, 2012</u>	<u>November 30, 2012</u>	<u>December 31, 2011</u>
<b>NET POSITION BREAKDOWN</b>			
CU Contributed Capital	\$ 8,315,011	\$ 8,317,778	\$ 7,805,718
Retained Earnings	<u>2,597,180</u>	<u>2,713,475</u>	<u>2,532,960</u>
Total Net Position without Unrealized Gain/Loss	<u>10,912,191</u>	<u>11,031,253</u>	<u>10,338,678</u>
Unrealized Gain/(Loss) - Investments	<u>371,661</u>	<u>407,787</u>	<u>450,200</u>
<b>NET POSITION</b>	<u>\$ 11,283,852</u>	<u>\$ 11,439,040</u>	<u>\$ 10,788,878</u>

**Comparative Analysis of NCUSIF Ratios for December 2012**

	<b>December 2012</b>	<b>November 2012</b>	<b>December 2011</b>
Investments/Total Assets	95.10%	95.75%	97.58%
Total Equity/Insured Shares (1)	1.30%	1.32%	1.30%
Available Assets Ratio	1.28%	1.31%	1.32%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	-0.07%

**Actual Insured Shares as of December 31, 2012** 839,399,302,480

**Actual Insured Shares as of December 31, 2011** 795,287,721,573

**Actual Insured Shares as of June 30, 2012** 834,267,557,427

(1) The December 2012 ratio is based on an actual insured share level of \$839.4. billion as of December 31, 2012.

(1) The November 2012 ratio is based on an actual insured share level of \$834.3 billion as of June 30, 2012.

(1) The December 2011 Equity Ratio was based on an actual insured share level of \$795.3 billion as of



Figure 1

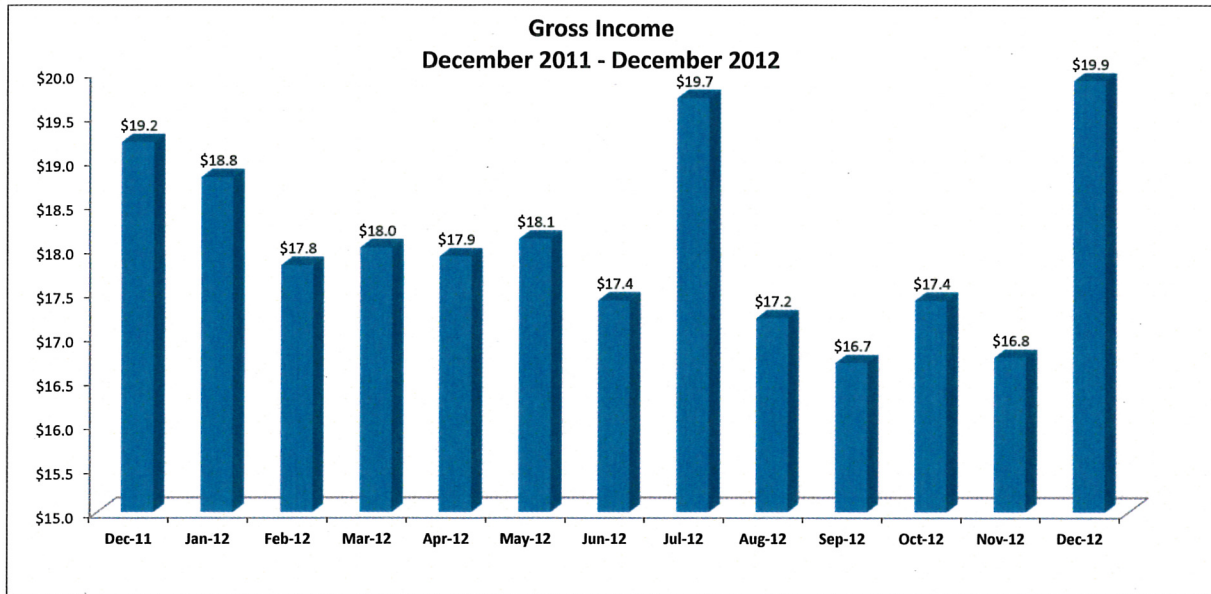


Figure 2

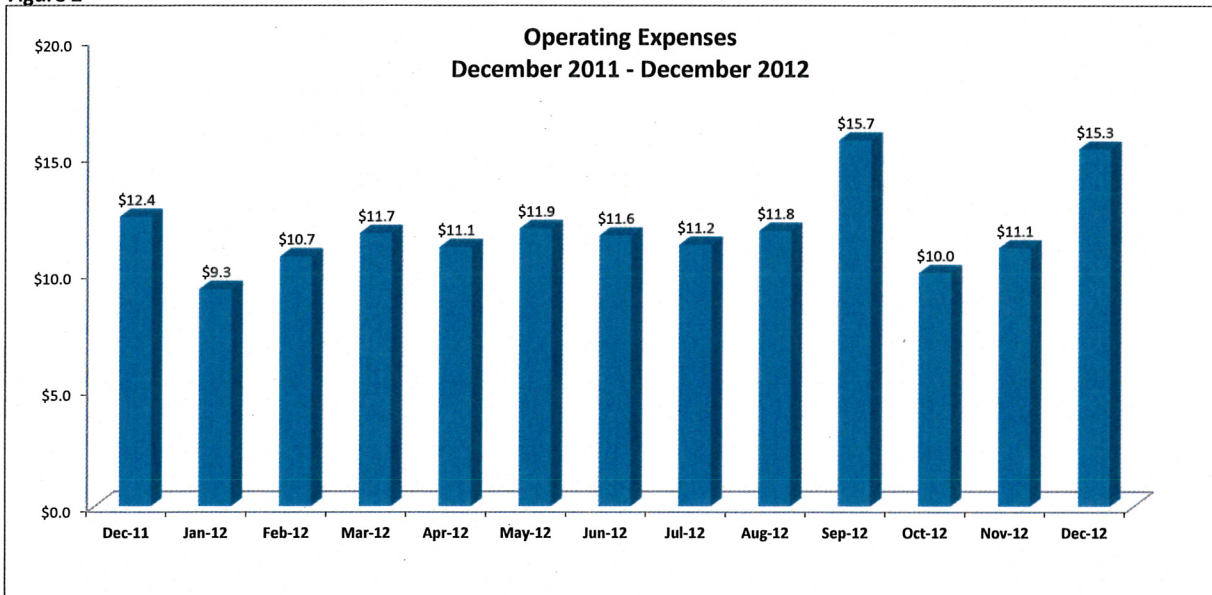
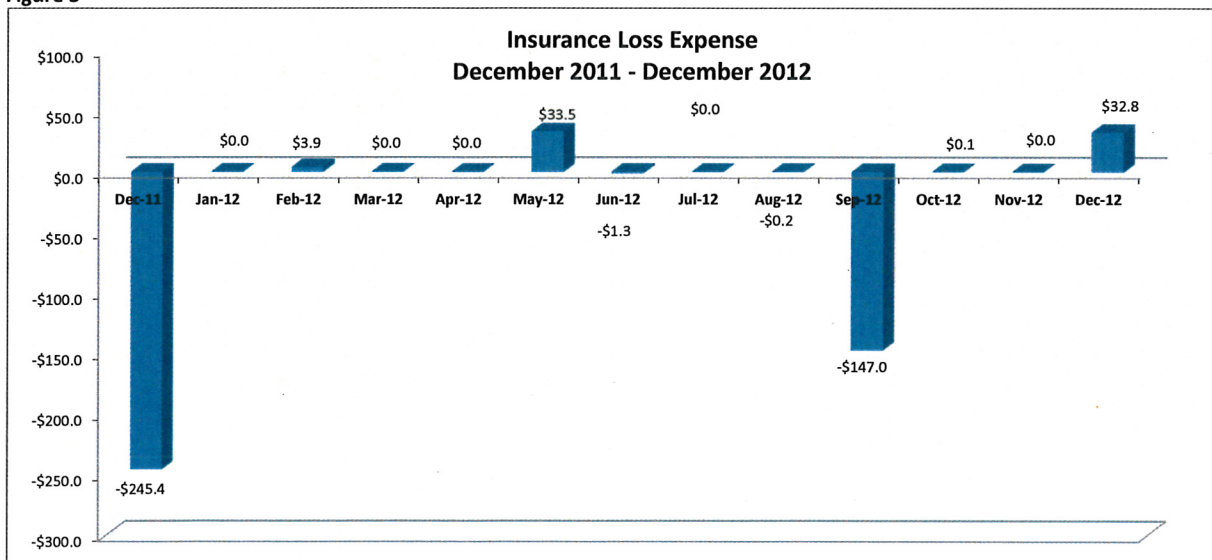


Figure 3



**INVESTMENT PORTFOLIO SUMMARY**  
December 31, 2012

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)</b>					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$ 359,703,000	\$ 359,703,000	\$ -	100.00%	0.06%
U.S. Treasury Notes	10,561,723,023	10,933,384,374	371,661,351	103.52%	1.90%
<b>Total</b>	<b>\$ 10,921,426,023</b>	<b>\$ 11,293,087,374</b>	<b>\$ 371,661,351</b>	<b>103.40%</b>	<b>1.82%</b>
<b>II. INVESTMENT PORTFOLIO SUMMARY</b>					
	Last Month	Current Month	CY To Date		
Investment Yield	1.83%	1.82%	1.91%		
Investment Income	\$ 16,327,906	\$ 16,932,479	\$ 206,993,913		
Weighted Avg. Maturity in Days	1,159	1,223			
<b>III. MONTHLY ACTIVITY</b>					
Purchased	Type	Amount	Maturity	Yield	
12/12/2012	T-Note	\$ 100,000,000	11/15/2020	1.26%	
12/12/2012	T-Note	\$ 50,000,000	11/15/2021	1.47%	
12/12/2012	T-Note	\$ 150,000,000	11/15/2022	1.67%	
<b>TOTAL</b>		<b>\$ 300,000,000</b>			
<b>IV. MATURITY SCHEDULE (par value in millions)</b>					
Overnight	\$	360			
1 month - 6 months		800			
6 months - 1 year		800			
1 year - 2 years		1,600			
2 years - 3 years		2,070			
3 years - 4 years		2,050			
4 years - 5 years		750			
5 years - 10 years		2,250			
<b>TOTAL</b>	<b>\$</b>	<b>10,680</b>			